



A STUDY ON CUSTOMER PERCEPTION ON ORGANIZED RETAIL STORES IN TIRUCHIRAPPALLI TOWN

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ABSTRACT

Background: The research study is concentrated on the customer reliability of organized retail stores in Tiruchirappalli Town. Retailing occupies a key role in our economy development of country and as well as in modern societies. We are placing good position in the organized retail sector. Today, organized retail stores occupy a prominent role in our economic development. Reliability is otherwise stated as loyalty, which is being a powerful tool in the market structure. Customer reliability indicates the progress status of the retail stores. Every organized retail store has to capture the reliability of the customer for their keep going process in the business. Customer is being a stem of the market.

Objectives: Hence, the researcher attempted to study the customer reliability of organized retail stores, which is essential their marketing survival and as well as to get aware of retail trends towards organized retail stores in Tiruchirappalli.

Methodology: The study comprises has Tiruchirappalli is a center of Tamil Nadu as well as developing city of our country. In this case, 300 respondents have taken for the research study and the research tools of chi-square test and one-way ANOVA have also used to know the influential factors, loyalty and expectation level of the customers towards organized retail stores in Tiruchirappalli Town.

Findings and Suggestions: Certain factors found to have considerable influence preference of retail stores. Similarly age, educational qualification and gender of the respondents are also found to have considerable influence on reasons for purchasing in retail stores.

Key words: Retailing, Customer Reliability and Organized Retail Stores.

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1. INTRODUCTION

Customer is an emperor of the business. Customer reliability induces the level of the customer satisfaction towards the business. Hence, every business concern is taking steps to create loyalty towards customers. Organized Retail store is also using this tool to capture the reliability of the customer. A department store is an organized retail establishment which offers a wide range of consumer goods in different product categories known as "departments". In modern major cities, the department store made a dramatic appearance in the middle of the 19th century, and permanently reshaped shopping habits, and the definition of service and luxury. Department stores today have sections that sell the following: clothing, furniture, home appliances, toys, cosmetics, gardening, toiletries, sporting goods, do it yourself, paint, and hardware and additionally select other lines of products such as food, books, jewelry, electronics, stationery, photographic equipment, baby products, and products for pets. Customers check out near the front of the store or, alternatively, at sales counters within each department. Some are part of a retail chain of many stores, while others may be independent retailers (Gopinath, 2019 b). In the 1970s, they came under heavy pressure from discounters. Since 2010, they have come under even heavier pressure from online stores such as Amazon.

Organized retail stores affect their surrounding culture, both positively and negatively as do shopping malls and chain stores. However, the stores themselves have also been affected by changes in society. As both the external technology and the social aspects of the retail business continue to make advances, the role of department stores, if any, in future society will be determined by how they adjust to these changes.

1.1. History and Evolution of Retail Stores

Retail as an organized industry really began in the 18th and 19th centuries with the rise of urban covered markets, specialty shops, and department stores. Catalogs brought the opportunity to shop without leaving the home for the first time in the late 1800's. Montgomery Ward allowed shoppers to mail in written orders through their mail-order catalogs, and the invention of the telephone empowered quicker impulse shopping, as customers could call in orders when their catalogs arrived. As E-Commerce grew in the early 2000's, retail wars pitted brick and mortar shops against online retailers, but that battle has long-since ended, as most major retailers now employ cross-channel retail strategies to reach customers both online and in physical stores. In fact, it's developed to the point where consumers no longer perceive a distinction between online and offline shopping. Shopping has become ubiquitous, and people are able to use mobile phones to complete transactions in the moment, whenever they're inspired to make a purchase.

With product information and reviews now available online, shopper attitudes have morphed dramatically. No longer dependent on salespeople and catalog writers for information, shoppers now know as much as, or even more than retail salespeople (Gopinath, 2019 c). What's more, retailers can now customize their product offerings based on the knowledge of a customer's location and mobile device. This context allows merchants to provide offers that are best suited to the customer where they are in the moment. Retailers who create cross-channel retail strategies to harness this data effectively are able to deliver relevant suggestions and capture sales at the moment of intent.

One challenge for online retailers has always been the divide between the visual experience of viewing a product online, and the full sensory immersion that a store can provide. Customers still shop both in-store and online, and even if they use the internet for researching and comparing prices, they still want the experience of touching and trying on a physical product (Gopinath & Irismargaret, 2011). Retail evolution is leading to an increase in the use of technologies like augmented reality, interactive video, 360 views, and gestural controls to bring products to life on shoppers' screens, and this will only grow in the future. Shoppers will now be able to scan their TV screens to access product pages and make purchases on their mobile devices. This adds a whole other layer to the Omni channel experience, with new opportunities for synergy between media and retail.

1.2. How to Create Customer's Reliability?

No issue the size of the business, customer is incredibly important. Repeat customers spend up to 67 percent more than new customers. Plus, it's up to ten times more expensive to try to attract new customers than it is to keep the ones already doing business with you. If you're looking for real ways to create and keep up customer loyalty, consider implementing a few of these strategies.

1.2.1. Set up ways to communicate with your customers

Frequent communication with your customers keeps you fresh in their minds and lets you pass along important information. Take the time to set up a database with contact information such as email addresses, mailing addresses, or phone numbers. Then you can send friendly reminders, birthday greetings, or a monthly newsletter.

Social media is another great way to communicate with your customers on an almost daily basis. Keep in mind that this works better if you limit how many of your communications are actually advertisements. Don't forget to throw in messages that are either fun reminders or useful information.

1.2.2. Provide extra perks for your most loyal customers

One of the best and perhaps one of the cheapest ways to reward customer loyalty is to give extra perks to your most dependable customers. By setting up a reward system for the most loyal, you not only encourage them to stick around, you also give an incentive for other customers to strive to reach that status.

1.2.3. Consider different payment plans

There are some businesses out there that are very seasonal and run into cash flow issues during certain times of the year. For instance, a wedding shop usually receives most of their sales during the summer months when weddings are in full swing, but during the winter they struggle. One shop decided to offer a payment plan through which customers could start shopping in the winter, and pay a little throughout the months leading up to the wedding, rather than paying all at once.

This plan worked because it helped customers by giving them manageable monthly payments, and it helped the company by bringing in cash during an otherwise slow time of year. In fact, customers were so happy that they often referred the shop to others, and the business saw a nearly 400 percent increase in total sales.

1.2.4. Provide great customer service

While this seems like a given, it's one tip that bears repeating because it's so important. One survey showed that in 2013, 51 percent of customers ended their relationship with a

business because they were unhappy with the service they were receiving. Customers remember when they're treated well, and they remember when they're treated poorly. In either case, they usually tell their friends and family, and that can either mean more business for you or lost business opportunities.

1.2.5. Don't rely too much on technology

Even in our technologically advanced society filled with text messages and emails, we still want the ability to interact with other human beings. Everyone can relate to the frustration of feeling stuck in an endless loop of automated prompts until we bang on the phone keys in hopes of reaching a real human. This is why it's important to keep in mind that while automated phone systems may save money, highly trained customer service representatives build loyalty.

1.2.6. Offer a head start

If you want to start a customer loyalty program like coffee shops use, whereby customers buy a certain number of drinks to earn a free one, consider giving them a head start. This can be as simple as giving them the first two punches on the coffee card for free. If you give your customers a head start on the program, they're more likely to stick around and finish it.

1.2.7. Don't forget to smile

This is another item that seems obvious, but it's important enough to keep being reminded of. A study in the United Kingdom recorded the expressions used to greet customers as they entered a store, and then cross-checked with how much they spent in the store. The study showed that shoppers who were greeted with a welcome and a smile spent up to 67 percent more than shoppers who were not greeted this way. While it seems like a small detail, a friendly greeting obviously has important consequences.

1.2.8. Give customers a reason to be loyal

Many people believe that Apple has some of the most loyal fans out there. Customers go to great lengths to prove just how much they love the company, with bumper stickers, tattoos, and vehement arguments in favor of all the products. Recently, neuroscientists scanned the brains of Apple fans and learned that the same part of the brain that lights up when religious people think about their deity is activated when these customers think about their beloved products. This shows that if you offer a service or product that your customers think is the best in the world, they'll be completely devoted with a passion that can't be topped.

In today's business climate, it's impossible to stress just how important customer loyalty is. These tips will help you create loyal customers who will be happy to frequent your business for many years to come.

2. REVIEW OF LITERATURE

Lau *et al.* (2006) have mentioned in his editorial that there are numerous factors which influenced consumers brand loyalty towards a particular brand. The factors are; brand name, product quality, price, promotion and service-quality. These studies will significantly look at product quality as a feature that influences brand loyalty.

Finlay (2007) in her study on Grocery Shopping in the UK: A Study of Consumers, examined the underlying perceptions of consumers towards grocery and shopping outlets and found price and location as two critical factors influencing grocery outlet choice. She indicated that consumers are rarely prepared to change their shopping patterns to access alternative outlets for grocery purchases being habitual nature, time constraint and low cognitive processing

characteristic. Further research is needed to consider different demographic groupings in different localities in order to better understand the impact of limited choice in an area.

Gupta and Mittal (2011) in their study 'Store Choice in the Emerging Indian Apparel Retail Market: An Empirical Analysis' investigated the evaluation of apparel store attributes by consumers in the context of apparel retail formats in India. They suggested retailers to consider underlying perceptions and demographic correlates of local consumers. According to them, retailers could use Loyalty Drivers and Shopping Experience Enhancers to be integrated into the retail format to create sustainable store choice and hence, store loyalty. Further research is needed to carry out research for other retail sectors such as food and grocery, consumer electronics, gifts and so on and also to investigate the influence of demographics and psychographics on store choice and shopping orientations.

Duff (2007) in this study expressed the niche market in women's cosmetics, and the outcomes explored that cosmetic buyers were faltering, more fashion aware and the customers were demanding for the products which are more attractive and new designed; furthermore, consumers have an inclination to use special makeup designs for different occasions".

Andotra and Pooja (2009) have explained about the usage of canonical discriminated function, K-means clustering procedure and multidimensional scaling technique, measures the nature and extent of customer dissonance across demographic groups, clusters, and 14 brand stimuli for operationalization of existing pattern of preference and accordingly redesigning the existing bundle of brand stimuli for strategic orientation of retailers selling SSI products.

Lovelock (2010) indicated that store's environment is also one of the features that might play a vital role in consumer's decision-making. On the other hand there are some of features that influence the customer assessment and satisfaction with a specific brand. The characteristics are shoppers, salespeople, store environment, noises, smells, temperature, and displays, symbols, colors and commodities.

Jain Susmit (2011) explained that consumer decision processes depend on the consumer behavior. Consumers are often studied because certain decisions are significantly affected by their behavior or expected actions. The research focuses on examining the impact of Jaipur consumers „demographic variables in various types of organized food and grocery retail formats (convenient, supermarket, and hypermarket) and exploring the drivers of customer satisfaction and loyalty in Jaipur retail supermarkets.

Srivastava (2012) research project deals with the marketing strategies that are to be followed by retailers in the retail stores located in malls. The purpose of the study is to learn about the customer profiling and learning, the market placement of MAX as a brand and various competitors existing in the market. The effect of customers and the competitors on the marketing strategies adopted by the store has been studied. Further, the study deals with the various marketing strategies adopted by these retail stores which includes, tie-ups with other brands, mall branding and other promotional offers to attract he customers and improve the competitiveness.

Gopinath and Kalpana (2011) have conducted a Study of Select Discount Store Retail for the purpose of identifying factors in regards to Shopping Motives. The researchers are also found that, availability of discount, proximity of the store, range of products available, customer treatment and grievances handling are some considerable factors during the time of choosing the retail stores.

3. STATEMENT OF THE PROBLEM

The present study has covered the title of “A Study on Customer Reliability of Organized Retail Stores in Tiruchirappalli Town” is an attempt to understand the various factors influencing to retain the customer’s reliability towards organized retail stores. A perfect parity between the services offered by sellers and the services expected by the buyers is vital to make the transaction smooth and hassle-free. Nowadays, the luxuries goods become necessary by the evaluation of marketing. Hence the retailers have to take necessary steps to meet out the competency level of the market. Always they have to aware about the customer’s needs, wants and desires of them to retain the loyalty towards you.

3.1. Scope of the Study

This study covers the organized retail stores in Tiruchirappalli in town for knowing customer’s reliability. Three organized retail stores have taken for the research study in the name of the stores Femina Shopping Mall, Kavery super market and Reliance Super market. The scope of the study has framed with 300 respondents to known the reliability of them towards retail stores. The study has concentrated on primary sources of the data. It is indirectly consisted the perception, satisfaction, and various influencing factors to frame the objectives of the study.

3.2. Objectives of the Study

To find out the factors determining the preference of retail stores

To study the reasons for purchasing in retail stores

3.3. Research Methodology

Convenient sampling technique of non-probability sampling was used to select the sample form the population. The researcher used structured questionnaire for collecting the primary data. The data were collected from the 300 respondents in the selected retail stores (Femina shopping Mall, Kavery super market and D- Mart) who are coming to these stores for purchasing the products in the research area.

Primary Data

Primary data were collected through structured questionnaire. Questionnaires were distributed to the respondents directly. From the answered questionnaires, the conceptual of the respondents were ascertained.

Secondary Data

Secondary data based upon the second hand information. In this study, secondary sources of information were collected from websites, Magazines, Text books, Newspapers, Journals, and Websites etc.

Tools used in the study

Chi-Square Test and One Way ANOVA

3.4. Limitation of the Study

- Few respondents were reluctant to provide the answer and lack interest.
- The study was limited within selected organized retail stores only.
- The research study has concentrated on the Tiruchirappalli town only.

4. ANALYSIS AND INTERPRETATION

4.1. Factors Determining the Customers Preference on Organized Retail Stores

Null Hypothesis

There is no significant association between various factors and customers preference on departmental stores

Table 1 Anova-Factors Determining the Customers Preference of Organized Retail Stores

Variables	Factors	Sum of Squares	Df.	Mean Square	F	Sig.
Opinion about lighting	Between Groups	189.335	3	63.112	287.175	0.001**
	Within Groups	65.051	296	0.220		
	Total	254.387	299			
Ventilation	Between Groups	95.718	3	31.906	10.135	0.001**
	Within Groups	931.828	296	3.148		
	Total	1027.547	299			
Power	Between Groups	138.122	3	46.041	120.908	0.001**
	Within Groups	112.714	296	0.381		
	Total	250.837	299			
Protected Drinking Water	Between Groups	169.387	3	56.462	234.732	0.001**
	Within Groups	71.200	296	0.241		
	Total	240.587	299			
Cleanliness and Hygienic toilets	Between Groups	175.002	3	58.334	190.419	0.001**
	Within Groups	90.678	296	0.306		
	Total	265.680	299			
Clear Product Information	Between Groups	195.500	3	65.167	228.311	0.001**
	Within Groups	84.487	296	0.285		
	Total	279.987	299			
Customer Classification and Treatment	Between Groups	167.143	3	55.714	177.224	0.001**
	Within Groups	93.054	296	.314		
	Total	260.197	299			
Techniques for receiving customer into the shop	Between Groups	175.002	3	58.334	190.419	0.001**
	Within Groups	90.678	296	0.306		
	Total	265.680	299			
Handling customer grievances	Between Groups	173.079	3	57.693	174.545	0.001**
	Within Groups	97.838	296	0.331		
	Total	270.917	299			
Efficient Staff	Between Groups	149.200	3	49.733	137.426	0.001**
	Within Groups	107.120	296	0.362		
	Total	256.320	299			

** @ 1 per cent level of Significance

Inference

Table 1 the p value explaining the association between various factors and preference of departmental stores is less than 0.01. Hence we failed to reject the null hypothesis at 1 per cent level of significant. Further the result explains a significant association between foresaid factors and the customer's preference on departmental stores. Kavitha & Gopinath (2020) inferred that Perception of Internet Banking users Service Quality.

4.2. Association Between Age and Reasons for Purchasing Products in Organised Retail Stores

Null Hypothesis

There is no significant relationship between the age of the respondent and reasons for purchasing products in organized retail stores.

Table 2 Chi-Square results Explaining the Relationship between age and Reasons for Purchasing Products in Organised Retail Stores

Age	Reasons for purchasing products in organized retail stores					Total	Chi-Square value	P value
	Convenience	Quality	Time saving	Fashion /Trend	Cheap			
Upto 20 years	72	0	0	0	0	72	6.595	0.001**
21-40 years	3	46	85	34	0	168		
41-60 years	0	0	0	44	0	44		
Above 61 years	0	0	0	3	13	16		
Total	75	46	85	81	13	300		

**** @ 1 per cent level of significance**

Inference

Table elucidates the association between age of the respondent and the reasons for purchasing products at organized retail stores. The p value is less than 0.01; therefore the null hypothesis is rejected at 1 per cent level of significance and prominent association was found between the age of the respondent and the reasons for purchasing in retail stores. Usharani & Gopinath (2020) confirmed that Consumer Behaviour on Green Marketing with reference to Organic Food Products.

4.3. Association Between Gender and Reasons for Purchasing Products in Organised Retail Stores

Null Hypothesis

There is no significant relationship between the gender of the respondent and reasons for purchasing products in organized retail stores

Table 3 Chi-Square Test Explaining the Relationship Between Gender and Reasons for Purchasing Products in Organised Retail Stores

Gender	Reasons for purchasing products in organized retail stores					Total	Chi-Square value	P- value
	Convenience	Quality	Time saving	Fashion /Trend	Cheap			
Male	43	23	25	22	34	147	10.595	0.001**
Female	13	31	22	48	39	153		
Total	56	54	47	70	73	300		

**** @ 1 per cent level of Significance**

Findings

Table 3 depicts the relationship between gender of the respondent and the reasons for preferring retail stores. Since the p-value is less than 0.01 the null hypothesis assuming no relationship is rejected at 1 per cent level of significance. Henceforth the researcher found noteworthy association between gender and the reasons for preferring retail stores. The study of Gopinath (2011) also found that male is giving more preference to convenience rather than other factors.

4.4. Association Between Educational Qualification and Reasons for Purchasing Products in organized Retail Stores

Null Hypothesis

There is no significant relationship between the educational qualification of the respondent and reasons for purchasing products in organized retail stores.

Table 4 Chi-Square Test Explaining the Relationship Between Educational Qualification and Reasons for Purchasing Products in Organized Retail Stores

Educational Qualification	Reasons for purchasing products in organized retail stores					Total	Chi-Square value	P-value
	Convenience	Quality	Time saving	Fashion /Trend	Cheap			
Up to School	13	7	5	5	12	42	16.125	0.001**
Diploma	3	4	0	0	6	13		
Under Graduate	41	24	25	12	23	125		
Post Graduate	12	10	6	22	37	87		
Professionals	5	4	0	15	9	33		
Total	74	49	36	54	87	300		
** @ 1 per cent level of Significance								

Inference

Table 4 states the relationship between educational qualification of the respondent and the reasons for purchasing products in organized retail stores. The p-value is less than 0.01, therefore the null hypothesis is rejected at 1 per cent level of significance and there is a relationship between the foresaid factors.

5. FINDINGS

The factors like lightings, ventilation, power, drinking water, Cleanliness and Hygienic toilets, Clear Product Information, customer treatment, grievances handling are certain factors which determines the reasons behind the choice of retail stores. Apart from this age, gender and qualification of the respondents has significant influence on the range of reasons for visiting organized retail stores.

6. SUGGESTIONS

- The organized retail stores have to arrange enough facilities children and the aged people above 50 years in the research area (Gopinath, 2019 d).
- Most of the retail stores have to fail to cover the male respondents. This one is also absent in these stores. They may have to take necessary steps to attract the male respondents. The same was insisted by Gopinath (2019 a).

- From the research, it was found that most of the respondents visit the department stores as leisure centre to relax, So the stores have to be followed various sales promotion techniques to increase the sale volume of the business.
- Some of the respondents are getting fear to purchase the health care products, vegetables, and fruits from the organized retail stores. It will be let out from the mind of the respondents.
- ATM facility can also be provided to the customer within the campus of the organized retail stores.
- Recreation amenities can be extended to obtain the reliability of the customers.
- Safe guard service should be properly maintained in the retail stores.
- To avoid the skimming price policy in the preliminary stage of the service.

7. CONCLUSION

To withstand the competition the retail stores must know the reasons behind the choice of retail stores and must provide those facilities to attract the customers. Apart from these, the purpose of visiting the retail stores varies according to age, gender and educational qualification and that has to be considered to gain the market share.

The success of retail sector reveals the growth of the organized retail stores. The rapidly increasing the expectation of the customer in different manner. Everyone knows that reliability of customers is the reflection of trust. Normally if we want to get the loyalty of the customers, we have to fulfill the needs, wants, demand and expectations of the customers. The retail business also has to follow the same sense of service to obtain the reliability of the customers. The organized retail stores have need to be updated their products and services in the nature manner and also take the necessary steps to remove the outdated products. The penetration pricing strategy can be considered to attract the urban customer as well as rural customer also. If the service is followed in the right manner customer may tend to stay on the department stores themselves.

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